RESPONSES TO ARIZONA CORPORATION COMMISSIFIEST SET OF DATA REQUESTS TO APPLICA



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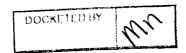
Commissioner

AZ CORP COMMISSION DOCKET CONTROL

REQUESTS

Arizona Corporation Commission DOCKETED

JUL -9 2008



IN THE MATTER OF THE APPLICATION) DOCKET NO. 1-20449A-08-0044
OF TIME WARNER CABLE FOR)
CERTIFICATE OF CONVENIENCE AND) TIME WARNER CABLE
NECESSITY) INFORMATION SERVICES
) (ARIZONA), LLC'S
) RESPONSES TO STAFF'S
) FIRST SET OF DATA

Time Warner Cable Information Services (Arizona), LLC ("TWCIS" or "Applicant"), hereby responds to Staff's First Set of Data Requests sent by Commission Staff on April 18, 2007.

PRELIMINARY STATEMENT

Applicant reserves the right to amend, modify or supplement the information contained in these responses as new information becomes available. Additionally, these responses are without prejudice to Applicant's right to use or rely on any subsequently discovered information or facts, or information or facts omitted from these responses as a result of mistake, error, oversight or inadvertence.

RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S FIRST SET OF DATA REQUESTS TO APPLICANT

RESPONSES

STF 1-1.

Staff understands from a phone conversation dated 2/12/08 that TWCIS wishes to amend its application to remove its request for Alternative Operator Services Telecommunications Services CC&N authority. If yes, please confirm in response to this data request.

Response:

Staff's understanding is correct. Applicant hereby removes the request for Alternative Operator Services Telecommunications Services CC&N authority.

STF1.2

Staff concerns related to the tariff (Attachment C) included with TWCIS's application were communicated during a phone discussion on 2/12/08. Please submit a revised tariff as appropriate to address the following:

- 1 The TWCIS tariff must provide corresponding information for all service categories (A-1) in which authority is sought. (CC&N local exchange authority, for example, can not be sought without a local exchange tariff.)
- 2 Information responsive to the specific items in (A-9) of the application must be found within TWCIS's tariff. (For example, TWCIS's policy regarding deposits, advances, and/or prepayments (see A-9.4) must be stated in TWCIS's tariff.)

Response:

Attached as Exhibit A is a revised tariff which includes rates for local and IXC services (section 4.2). This tariff replaces the tariff filed with Time Warner Cable's CLEC application. Section 2.9 of the tariff (Original page 42) describes the only circumstance where a deposit, advance, and/or prepayment will be required, and the system for returning that prepayment.

TWCIS expects to sell local services on a wholesale and retail basis to commercial customers, but does not currently plan to market residential local exchange services. If, in the future, TWCIS chooses to offer retail local exchange services to residential customers, it will include such services in its tariffs, as appropriate, ensuring that the Commission will have an adequate opportunity to consider and approve the rates and conditions applicable to such services.

RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S FIRST SET OF DATA REQUESTS TO APPLICANT

STF 1.3 Please explain how TWCIS calculated the maximum and current rates for the services included in the TWCIS's proposed tariff, as revised.

TWCIS will market and sell services to customers who have provider options. TWCIS will not offer any services that have not been declared competitive by the Arizona Corporation Commission. Thus, the market will generally control the rates TWCIS is able to charge.

STF 1.4 Please explain why TWCIS believes the proposed rates are just and reasonable using a fair value or cost basis. Please provide any corresponding economic justification or cost supporting materials.

Response:

The rates and charges proposed by TWCIS will be reasonable and comparable to rates charged by other carriers in the market for similar products. TWCIS has not yet entered the local service market, thus it is not possible for TWCIS to provide historic cost support data nor can it base its prices on prior costs. Fair value is similarly inapposite in a competitive market. While the Commission may be obliged to find fair value in advance of approving rates, it is not obliged to use that fair value to set rates (or to justify the rates based on the fair value). In competitive environment, the Commission has regularly concluded that a carrier rate comparison is a fair and reasonable way to evaluate rates charged by competitive providers. The carrier rate comparison chart, attached as Exhibit B, illustrates that the rates proposed by TWCIS are fair and reasonable. The access rates included on this chart (and in the TWCIS tariff) generally mirror the Owest Corporation rates for similar services.

STF 1.5 Please explain if TWCIS or any TWCIS affiliates have local exchange service applications pending in any states?

Response: TWCIS has no other applications pending. TWCIS affiliates have applications for certification pending in Colorado and New Jersey.

STF 1.6 Please provide a comparison between TWCIS's proposed Arizona rates and those of key competitors in Arizona. If TWCIS's proposed Arizona rates are higher than key competitors in Arizona, please explain why TWCIS's rates should be considered just and reasonable.

(For the Applicant's ease, a comparison template is attached. Please complete the page as appropriate for at least Qwest and two other competitors in Arizona. If preferred, an excel file can be obtained by contacting Armando Fimbres at afimbres@azcc.gov.)

Response: Please see Matrix attached Exhibit A.

RESPONSES TO ARIZONA CORPORATION COMMISSION STAFF'S FIRST SET OF DATA REQUESTS TO APPLICANT

STF 1.7 Please provide a comparison between TWCIS's proposed Arizona rates and those of TWCIS, or affiliates, in other states where similar services are provided. If the proposed Arizona rates are higher than other states, please explain why TWCIS's proposed Arizona rates should be considered

just and reasonable.

(For the Applicant's ease, a comparison template is attached. Please complete the page as appropriate. If preferred, an excel file can be obtained by contacting Armando Fimbres at afimbres@azcc.gov.)

Response:

To the extent Applicant markets services that are subject to tariff, the applicable rates generally mirror the rates charged by the local ILEC. Accordingly, the rates for various local services identified in Applicant's Arizona tariff mirror the rates set forth in the Qwest tariff.

DATED this 9 day of July 2008.

OSBORN MALEDON, PA

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Original and 13 copies of the foregoing filed this 2^n day of July, 2008 with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington
Phoenix, AZ 85007

Exhibit A

Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable

Arizona Tariff No. 1 Original Page 1

Issued:

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

TIME WARNER CABLE INFORMATION SERVICES (ARIZONA), LLC D/B/A TIME WARNER CABLE

APPLICABLE TO INTRASTATE LOCAL, TOLL AND ACCESS SERVICES

This Tariff contains the descriptions, regulations, and rates applicable to the furnishing of services and facilities for Local Exchange, Toll and Access Services provided by Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable, with principal offices at 290 Harbor Drive, Stamford, CT 06902. This Tariff applies to services furnished within Arizona. This Tariff is on file with the Arizona Corporation Commission and copies may be inspected, during normal business hours, at the Company's principal place of business.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

CHECK SHEET

Pages of this tariff, as indicated below, are effective as of the date shown at the bottom of the respective pages. Original and revised pages, as named below, comprise all changes from the original tariff and are currently in effect as of the date on the bottom of this page.

PAGE	REVISION		PAGE	REVISION	
1	Original	*	26	Original	*
2	Original	*	27	Original	*
3	Original	*	28	Original	*
4	Original	*	29	Original	*
5	Original	*	30	Original	*
6	Original	*	31	Original	*
7	Original	*	32	Original	*
8	Original	*	33	Original	*
9	Original	*	34	Original	*
10	Original	*	35	Original	*
11	Original	*	36	Original	*
12	Original	*	37	Original	*
13	Original	*	38	Original	*
14	Original	*	39	Original	*
15	Original	*	40	Original	*
16	Original	*	41	Original	*
17	Original	*	42	Original	*
18	Original	*	43	Original	*
19	Original	*			
20	Original	*			
21	Original	*			
22	Original	*			
23	Original	*			
24	Original	*			
25	Original	*			

^{* -} indicates those pages included with this filing

40

Issued: Effective: COMPETITIVE LOCAL EXCHANGE SERVICE TARIEF

TABLE OF CONTENTS			
	1		
Title Page	1		
Check Sheet	2		
Table of Contents	3		
Symbols	5		
Tariff Format	6		
Section 1 – Definitions and Abbreviations	7		
Section 1.1 – Explanation of Abbreviations and Acronyms	7		
Section 1.2 – Definitions of Terms	8		
Section 2 - Rules and Regulations	10		
Section 2.1 – Undertaking of the Company	10		
Section 2.2 – Limitations on Liability	13		
Section 2.3 – Liability of the Company	18		
Section 2.4 – Service Availability	19		
Section 2.5 – Obligations of the Customer	21		
Section 2.6 – Customer Equipment and Channels	23		
Section 2.7 – Interruption of Service	25		
Section 2.8 – Payment Arrangements	27		
Section 2.9 – Advance Payments	31		
Section 2.10 – Taxes and Other Charges	31		
Section 2.11 – Backbilling	31		
Section 2.12 – Termination for Cause Other than Nonpayment	32		
Section 2.13 – Use of Customer's Service by Others	36		
Section 2.14 – Cancellation of Service	36		
Section 2.15 – Notices and Communications	36		
Section 2.16 – Special Construction and Special Arrangements	37		
Section 2.17 – Individual Case Basis Arrangements	38		
Section 2.18 – Dual Party Relay Service	39		

Section 2.19 – 911 Emergency Telephone Service

Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable

Arizona Tariff No. 1 Original Page 4

Issued:	Effective	
COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF		
TABLE OF CONTENTS, (CONT'D.)		
Section 3 – Service Description	41	
Section 3.1 – Trial Services	41	
Section 3.2 – Transmission Service and Facilities	41	
Section 3.3 – Switched Access Services	42	
Section 4 – Rates	44	
Section 4.1 – Rates – Transmission Services	44	
Section 4.2 – Rates – Switched Access Services	45	
Section 5 – Promotions	46	
Section 5.1 – Promotional Offerings	46	

Effective:

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SYMBOLS

The following symbols shall be used in this Tariff for the purpose indicated below:

C	_	To signify changed rate, term or condition
D	_	To signify decrease rate
I	_	To signify increased rate
M	_	To signify text moved from another tariff location, but no change in rate, term or
		condition

To signify new rate, term or condition

To signify omissions O

To signify temporary rate, term or condition T

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COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

TARIFF FORMAT

- A. Page Numbering Pages numbers appear in the upper right corner of the page. Pages are numbered sequentially, however, new pages are occasionally added to the Tariff. When a new page is added between pages already in effect, a decimal is added. For example, a new page added between pages 14 and 15 would be 14.1.
- B. Page Revision Numbers Revision numbers also appear in the upper right corner of each page. These numbers are used to determine the most current sheet version on file with the ACC. For example, the 4th Revised Page 14 cancels the 3rd Revised Page 14. Because of various suspension periods, deferrals, etc., that the ACC follows in its tariff approval process, the most current page number on file with the Commission is not always the tariff page in effect. Consult the Check Sheet for the page currently in effect.
- **C. Paragraph Numbering Sequence** There are nine levels of paragraph coding. Each level of coding is subservient to its next higher level:
 - 2. 2.1. 2.1.1. 2.1.1.A. 2.1.1.A.1. 2.1.1.A.1.(a). 2.1.1.A.1.(a).I. 2.1.1.A.1.(a).I.(i).
- D. Check Sheets When a tariff filing is made with the ACC, an updated check sheet accompanies the tariff filing. The check sheet lists the sheets contained in the Tariff, with a cross reference to the current revision number. When new pages are added, the check sheet is changed to reflect the revision. All revisions made in a given filing are designated by the symbols given on the symbols sheet. There will be no other symbols used on this page if these are the only changes made to it (i.e., the format remains the same, just revised revision levels on some pages). The Tariff user should refer to the latest check sheet to find out if a particular sheet is the most current on file with the ACC.

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COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 1 - DEFINITIONS AND ABBREVIATIONS

1.1 Explanation of Abbreviations and Acronyms

ACC	Arizona Public Service Corporation
Cont'd	Continued
IXC	Interexchange Carrier
ICO	Independent Company
ICE	Independent Company Exchange
LATA	Local Access and Transport Area
LEC	Local Exchange Company
MTS	Message Telecommunication Service
NPA	Numbering Plan Area
PIC	Primary Interexchange Carrier
TDD	Telephone Device for the Deaf
TRS	Telecommunications Relay Service

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COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D.)

1.2 Definitions of Terms

Commission - Arizona Corporation Commission

Company - Refers to Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable.

Completed – A call which the Company's network has determined has been answered by a person, answering machine, fax machine, computer modem device, or other mechanical answering device.

Customer – The person or other entity which orders Service and is responsible for payment of charges due in compliance with the Company's Tariff regulations. This term also includes a person who was a Customer of the Company within the past 30 days and who requests Service at the same or different location. For purposes of this Tariff, "Customer" shall refer to local, county, state or federal entities, and those persons or entities whose use of service is or is represented to be primarily or substantially of a professional, business, institutional, occupational or commercial nature and who subscribe, from the Company or some other entity, to more than four access lines or to a service or services with a capacity for providing in the aggregate at least 256 DS0 equivalents for the transmission of voice and/or data.

Customer-Provided Equipment (CPE) – Equipment provided by the Customer for use with the Company's Service. CPE can include a station set, facsimile machine, key system, PBX, or other information, communication or power system.

End User – Any Customer or other person or entity that is not a carrier, except that a carrier (other than a telephone company) shall be deemed to be an "End User" when such carrier uses the Company's Service for administrative purposes.

Message – A completed telephone call.

Nonrecurring Charge – A one-time charge made under certain conditions to recover all or a portion of the cost of installing facilities or providing Service.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 1 - DEFINITIONS AND ABBREVIATIONS, (CONT'D.)

1.2 Definition of Terms, (Cont'd.)

Recurring Charge – The monthly charge to the Customer for Service, facilities and equipment, which continue for the agreed upon duration of the Service.

Service – Any Telecommunications Service(s) provided by the Company under this Tariff.

Termination of Service – Discontinuance of both incoming and outgoing Service.

User – A Customer, or any other person authorized by a Customer to use Service provided under this Tariff.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS

2.1 Undertaking of the Company

2.1.1 Regulatory Compliance

Company will comply with all applicable billing and termination rules of the Commission, as set forth in the Title 14, Chapter 2 of the Arizona Administrative Code and Title 40 of the Arizona Revised Statutes.

2.1.2 Application of Tariff

- A. This Tariff sets forth terms and conditions applicable to the furnishing of the Local Exchange Service defined herein offered by the Company within Arizona. Service is furnished for the use of End Users in placing and receiving calls within Arizona.
- **B.** When Service and facilities are provided in part by the Company and in part by other companies, the regulations of the Company apply only to that portion of the Service or facilities furnished by it.
- C. When Service and facilities provided by the Company are used to obtain access to the regulated or unregulated services provided by another company, or are used by another company as part of the regulated or unregulated services offered by that company, the regulations of the Company apply only to the use of the Company's Service and facilities.
- D. This Tariff applies only for the use of the Company's Service within Arizona. This includes the use of the Company's network to complete an end-to-end call within Arizona and to obtain access to the intrastate and interstate Toll Call services offered by the Company.
- E. The provision of Local Service defined herein is subject to the terms and conditions specified in this Tariff and may be revised, added to, or supplemented by superseding issues.
- F. The provision of Service by the Company as set forth in this Tariff does not constitute a joint undertaking with the Customer for the furnishing of any Service.

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COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.3 Shortage of Equipment or Facilities

- A. The furnishing of Service under this Tariff is subject to the availability on a continuing basis of all the necessary facilities and technical capabilities and is limited to the capacity of the Company's facilities as well as facilities the Company may obtain from carriers to furnish Service from time to time as required at the sole discretion of the Company.
- B. The Company shall not be required to furnish, or continue to furnish, facilities or Service where the circumstances are such that the proposed use of the facilities or Service would tend to adversely affect the Company's plant, property or Service.

2.1.4 Terms and Conditions

- A. In furnishing facilities and Service, the Company does not undertake to transmit messages, but furnishes the use of its facilities to Customers for information services or communications.
- B. Service is provided on the basis of a minimum period of at least one month, 24 hours per day. For the purpose of computing charges in this Tariff, a month is considered to have 30 days. All calculations of dates set forth in this Tariff shall be based on calendar days, unless otherwise specified herein. The Customer must pay the regular tariffed rate for the Service it subscribes to for the minimum period of service. If a Customer disconnects Service before the end of the minimum service period, that Customer is responsible for paying the regular rates for the remainder of the minimum service period.
- C. Customers may be required to enter into written service orders which shall contain or reference a specific description of the Service ordered, the rates to be charged, the duration of the Service, and the terms and conditions in this Tariff. Customers also will be required to execute any other documents reasonably requested by the Company.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.1 Undertaking of the Company, (Cont'd.)

2.1.4 Terms and Conditions, (Cont'd.)

- **D.** The Company reserves the right to refuse an application for Service made by a present or former Customer who is indebted to the Company for Service previously rendered until the debt is satisfied.
- E. In any action between the parties to enforce any provision of this Tariff, the prevailing party shall be entitled to recover its legal fees and court costs from the non-prevailing party in addition to other relief a court may award, except as otherwise provided in this Tariff.
- **F.** This Tariff shall be interpreted and governed by the laws of Arizona without regard to its choice of law provision.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations on Liability

2.2.1 Indemnification and Limits on Liability

- A. Except where the Commission, for good cause shown, determines otherwise, the Customer and any authorized or joint users, jointly and severally, shall indemnify, defend and hold harmless the Company and the Company shall not be liable for any claims, loss, damage or expenses (including attorneys' fees and court costs) involving:
 - 1. Any act or omission of: (a) the Customer; (b) any other entity furnishing service, equipment or facilities for use in conjunction with the Service or facilities provided by the Company; or (c) common carriers, warehousemen or middle men;
 - 2. Any delay or failure of performance or equipment due to causes beyond the Company's control, including, but not limited to, acts of God, fires, floods, earthquakes, hurricanes, storms, or other natural catastrophes; pole hits; explosions; national emergencies, insurrections, riots, wars or other civil commotions; strikes, lockouts, work stoppages or other labor difficulties; criminal actions taken against the Company; unavailability, failure or malfunction of equipment or facilities provided by the Customer or third parties, including rights-of-way and materials; and any law, order, regulation, direct, request, or other action of any governing authority or agency thereof;
 - 3. Any unlawful or unauthorized use of the Company's facilities and Service or the use of the Company's facilities and/or Service in violation of this Tariff;
 - 4. Libel, slander, invasion of privacy or infringement of patents, trade secrets, or copyrights arising from or in connection with the transmission of communications or information by means of Company-provided facilities or Service, or by means of the combination of Company-provided facilities or Service with Customer-provided facilities or services;

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations on Liability

2.2.1 Indemnification and Limits on Liability, (Cont'd.)

A. (Cont'd.)

- 5. The Company is not responsible for any infringement, breach or invasion of the right of privacy of any person or persons, caused or claimed to have been caused, directly or indirectly, by the installation, operation, failure to operate, maintenance, removal, presence, condition, occasion or use of emergency 911 service features and the equipment associated therewith, or by any services furnished by the Company, including, but not limited to, the identification of the telephone number, address or name associated with the telephone used by the party or parties accessing emergency 911 service, and which arise out of the negligence or other wrongful act of the Company, the Customer, its users, agencies or municipalities, or the employees or agents of any one of them.
- 6. Changes in any of the facilities, operations or procedures of the Company that render any equipment, facilities or services provided by the Customer obsolete, or require modification or alteration of such equipment, facilities or services, or otherwise affect their use or performance, except where reasonable notice is required by the Company and is not provided to the Customer, in which event the Company's liability is limited as set forth in this Section 2.2;
- 7. Defacement of or damage to Customer premises resulting from the furnishing of Service or equipment on such premises or the installation or removal thereof;

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COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations on Liability

2.2.1 Indemnification and Limits on Liability, (Cont'd.)

A. (Cont'd.)

- 8. Injury to property or injury or death to persons, including claims for payments made under Workers' Compensation law or under any plan for employee disability or death benefits, arising out of, or caused by, any act or omission of the Customer, or the construction, installation, maintenance, presence, use or removal of the Customer's facilities or equipment connected, or to be connected, to the Company's facilities;
- 9. Any intentional, wrongful act of a Company employee when such act is not within the scope of the employee's responsibilities for the Company and/or is not authorized by the Company;
- 10. Any representations made by Company employees that do not comport, or that are inconsistent, with the provisions of this Tariff;
- 11. Any act, omission or network condition resulting in the non-availability of 911, E911, or similar services for any reason including, without limitation and by way of example only, due to any failure of Service functionality or interruption of electric service to Customer's premises;
- 12. Any non-completion of calls due to network busy conditions or network failures;
- 13. Any calls not actually attempted to be completed during any period that Service is unavailable;
- 14. Blockages by other providers of services on the public switched network:
- 15. Any damage to CPE resulting from use of that system with the Service; and
- **16.** Breach in the privacy or security of communications transmitted over the Company's facilities.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations on Liability

2.2.1 Indemnification and Limits on Liability, (Cont'd.)

- B. The Company shall be indemnified, defended and held harmless by the Customer or End User from and against any and all claims, loss, demands, suits, expense, or other action or any liability whatsoever, including attorney fees, whether suffered, made, insinuated, or asserted by the Customer or by any other party, for any personal injury to or death of any person or persons, and for any loss, damage or destruction of any property, including environmental contamination, whether owned by the Customer or by any other party, caused or claimed to have been caused directly or indirectly by the installation, operation, failure to operate, maintenance, presence, condition, location, use, or removal of any Company or Customer-provided equipment or facilities or Service provided by the Company.
- C. The Company does not guarantee nor make any warranty with respect to Service installations at locations at which there is present an atmosphere that is explosive, prone to fire, dangerous or otherwise unsuitable for such installations.
- D. The Company assumes no responsibility for the availability or performance of any systems or related facilities under the control of other entities, whether or not affiliated with the Company, or for other facilities provided by other entities used for Service to the Customer, even if the Company has acted as the Customer's agent in arranging for such facilities or services. Such facilities are provided subject to such degree of protection or non-preemptibility as may be provided by the other entities.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.2 Limitations on Liability

2.2.1 Indemnification and Limits on Liability, (Cont'd.)

- E. Except as otherwise stated in this Tariff, any claim of whatever nature against the Company shall be deemed conclusively to have been waived unless presented in writing to the Company within thirty (30) days after the date of the occurrence that gave rise to the claim.
- F. The Company is not liable for any errors and omissions in local directories. In cases where a specific charge has been made for a directory listing, the Company shall not be liable for any such error or omission beyond the amount of such charge.
- G. The Company makes no warranties or representations, express or implied either in fact or by operation of law, statutory or otherwise, including warranties of merchantability or fitness for a particular use, except those expressly set forth herein.
- H. The Company will not be liable for any charge incurred when any long distance (Toll Call) carrier or alternative operator service provider accepts third-number billed or collect calls.
- I. When the facilities of other companies are used in establishing a connection, the Company is not liable for any act, error, omission, or interruption caused by the other company or their agents or employees. This includes the provision of a signaling system database by another company.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.3 Liability of the Company

2.3.1 General

- A. Except as otherwise stated in this Tariff, liability of the Company for damages arising out of either (1) the furnishing of its Service, including, but not limited to, mistakes, omissions, interruptions, delays, or errors, or other defects, representations, or use of these Service, or (2) the failure to furnish its Service, whether caused by acts or omission, shall be limited to the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.7, following.
- B. Except for the extension of allowances to the Customer for interruptions in Service as set forth in Section 2.7, following, the Company shall not be liable to a Customer or third party for any direct, indirect, special, incidental, reliance, consequential, exemplary or punitive damages, including, but not limited to, loss of revenue or profits, for any reason whatsoever, including, but not limited to, any act or omission, failure to perform, delay, interruption, failure to provide any Service, including the inability to access emergency 911 services during any such failure, or any failure in or breakdown of facilities associated with the Service.
- C. The liability of the Company for errors in billing that result in overpayment by the Customer shall be limited to a credit equal to the dollar amount erroneously billed or, in the event that payment has been made and Service has been discontinued, to a refund of the amount erroneously billed.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Service Availability

2.4.1 Notification of Service-Affecting Activities

The Company will provide the Customer reasonable notification of Service-affecting activities that may occur in normal operation of its business. Such activities may include, but are not limited to, equipment or facilities additions, removals or rearrangements and routine preventative maintenance. Generally, such activities are not specific to an individual Customer but affect many Customers' Service. No specific advance notification period is applicable to all Service activities. The Company will work cooperatively with the Customer to determine the reasonable notification requirements. With some emergency or unplanned Service-affecting conditions, such as an outage resulting from a loss of power or damage to facilities or equipment, notification to the Customer may not be possible.

2.4.2 Provision of Equipment and Facilities

- A. The Company shall use reasonable efforts to make available Service to a Customer on or before a particular date, subject to the provisions of and compliance by the Customer with the regulations contained in this Tariff. The Company does not guarantee availability by any such date and shall not be liable for any delays in commencing Service to any Customer.
- B. The Company shall use reasonable efforts to maintain only the facilities and equipment that it furnishes to the Customer. The Customer may not, nor may the Customer permit others to, rearrange, disconnect, remove, attempt to repair, or otherwise interfere with any of the facilities or equipment installed by the Company, except upon the written consent of the Company.
- C. The Company may substitute, change or rearrange any equipment or facility at any time and from time to time, but shall not thereby alter the technical parameters of the Service provided to the Customer.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.4 Service Availability, (Cont'd.)

2.4.2 Provision of Equipment and Facilities, (cont'd.)

- **D.** Equipment the Company provides or installs at the Customer's premises for use in connection with the Service the Company offers shall not be used for any purpose other than that for which the Company provided it.
- E. The Customer shall be responsible for the payment of Service charges as set forth herein for visits by the Company's agents or employees to the premises of the Customer or User when the Service difficulty or trouble reported results from the use of equipment or facilities provided by any party other than the Company, including, but not limited to, the Customer or User.
- F. The Company shall not be responsible for the installation, operation, or maintenance of any Customer- or User-provided communications equipment. Where such equipment is connected to the facilities furnished pursuant to this Tariff, the responsibility of the Company shall be limited to the furnishing of facilities offered under this Tariff and to the maintenance and operation of such facilities. Subject to this responsibility, the Company shall not be responsible for:
 - 1. the transmission of signals by Customer-Provided Equipment or for the quality of, or defects in, such transmission; or
 - 2. the reception of signals by Customer-Provided Equipment.

2.4.3 Ownership of Facilities

Title to all facilities provided in accordance with this Tariff remains in the Company, its affiliates, agents or contractors.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Obligations of the Customer

2.5.1 General

- **A.** The Customer shall be responsible for:
 - 1. The payment of all applicable charges pursuant to this Tariff;
 - 2. Damage to or loss of the Company's facilities or equipment caused by the acts or omissions of the Customer or of any User, or by the noncompliance by the Customer or any User with these regulations, or by fire or theft or other casualty on the Customer's or any User's premises, unless caused by the negligence or willful misconduct of the employees or agents of the Company;
 - 3. Obtaining, maintaining, and otherwise having full responsibility for all rights-of-way and conduit necessary for installation of lines, facilities and associated equipment used to provide Service to the Customer from the Customer's property line to the location of the equipment space described above. Any and all costs associated with obtaining and maintaining the rights-of-way described herein, including the costs of altering the structure to permit installation of Company-provided facilities, shall be borne entirely by, or may be charged by the Company to, the Customer. The Company may require the Customer to demonstrate its compliance with this Section prior to accepting an order for Service;
 - 4. Not creating or allowing to be placed any liens or other encumbrances on the Company's equipment or facilities; and
 - 5. Making the Company's facilities and equipment available periodically for maintenance purposes at a time agreeable to both the Company and the Customer. No allowance will be made for the period during which Service is interrupted for such purposes.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.5 Obligations of the Customer, (Cont'd.)

2.5.2 Prohibited Activities and Uses

- A. The Service the Company offers shall not be used for any unlawful purpose or for any use as to which the Customer or User has not obtained all required governmental approvals, authorizations, licenses, consents and permits.
- **B.** The Company may require a Customer or User immediately to shut down its transmission of signals if said transmission is causing interference to others.
- C. A Customer or User may not assign, or transfer in any manner, the Service or any rights associated with the Service without the written consent of the Company. The Company will permit a Customer to transfer its existing Service to another person or entity if the existing Customer has paid all charges owed to the Company for Service provided pursuant to this Tariff. Such a transfer will be treated as a disconnection of existing Service and installation of new Service.

2.5.3 Claims

Notwithstanding Section 2.2 and 2.3 herein, with respect to any Service or facility provided by the Company, the Customer shall indemnify, defend and hold harmless the Company from and against all claims, actions, damages, liabilities, costs and expenses, including reasonable attorneys' fees and court costs for:

- A. Any loss, destruction or damage to property of the Company or any third party, or the death or injury to persons, including, but not limited to, employees or invitees of either party, to the extent caused by or resulting from the negligent or intentional act or omission of the Customer or User or either of their employees, agents, representatives or invitees; or
- **B.** Any claim of any nature whatsoever brought by a User with respect to any matter for which the Company would not be directly liable to the Customer under the terms of this Tariff.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Customer Equipment and Channels

2.6.1 General

A User may transmit or receive information or signals via the facilities of the Company. A User may transmit any form of signal that is compatible with the Company's equipment, but, except as otherwise specifically stated in this Tariff, the Company does not guarantee that its Service will be suitable for purposes other than those described herein.

2.6.2 Station Equipment

- A. Terminal equipment on the User's premises and the electric power consumed by such equipment shall be provided by and maintained at the expense of the User. The User is responsible for the provision of wiring or cable to connect its terminal equipment to the Company's point of connection.
- B. The Customer is responsible for ensuring that Customer-Provided Equipment connected to the Company equipment and facilities is compatible with such equipment and facilities. All such Customer-Provided Equipment shall be registered by the Federal Communications Commission pursuant to Part 68 of Title 47, Code of Federal Regulations; and all User-provided wiring shall be installed and maintained in compliance with those regulations. The magnitude and character of the voltages and currents impressed on Company-provided equipment and wiring by the connection, operation or maintenance of such equipment and wiring shall be such as not to cause damage to Company-provided equipment and wiring or injury to the Company's employees or to other persons. Any additional protective equipment required to prevent such damage or injury shall be provided by the Company at the Customer's expense.
- C. The Company is not responsible for malfunctions of Customer-owned telephone sets or other Customer-Provided Equipment, or for misdirected calls, disconnects or other Service problems caused by the use of Customer-Provided Equipment.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.6 Customer Equipment and Channels, (Cont'd.)

2.6.3 Interconnection of Facilities

- A. Any special interface equipment necessary to achieve compatibility between the facilities and equipment of the Company used for furnishing communications Service and the channels, facilities, or equipment of others shall be provided at the Customer's expense.
- **B.** The Service may be connected to the services or facilities of other communications carriers only when authorized by, and in accordance with, the terms and conditions of this Tariff and the tariff of the other communications carriers which are applicable to such connections.
- **C.** Facilities furnished under this Tariff may be connected to Customer-Provided Equipment in accordance with the provisions of this Tariff.

2.6.4 Inspections

If the protective requirements for Customer-Provided Equipment are not being complied with, the Company may take such action as it deems necessary to protect its facilities, equipment and personnel. The Company will notify the Customer promptly if there is any need for further corrective action. Within ten (10) days of receiving this notice, the Customer must take this corrective action and notify the Company of the action taken. If the Customer fails to do this, the Company may take whatever additional action is deemed necessary, including the suspension of Service, to protect its facilities, equipment and personnel from harm.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Interruption of Service

2.7.1 General

A. Upon Customer request, the Company will credit a Customer's account for Service interruptions that are not due to the Company's testing or adjusting, failure of facilities or services of other companies relied upon by Company to provide Service, negligence of the Customer, or to the failure of channels, wiring, equipment, facilities or power provided by the Customer. Before requesting a credit, the Customer will take reasonable steps to verify that the trouble could not have been prevented by the Customer and is not in the channels, wiring, equipment, facilities or power provided by the Customer. For purposes of computing a credit, a month consists of 720 hours. The Company will credit the Customer's account at the rate of 1/720th of the monthly charge for each full hour of any interruption. In addition, for Service interruptions greater than eight (8) consecutive hours, the Company will credit the Customer's account in an amount equal to the price of one month of Service.

B. No credit allowance will be made for:

- 1. Interruptions due to the negligence of, or noncompliance with the provisions of this Tariff by the Customer, User, or other common carrier providing service connected to the Service of the Company;
- 2. Interruptions due to the negligence of any person other than the Company, including but not limited to the Customer or other common carriers connected to the Company's facilities;
- 3. Interruptions due to the failure or malfunction of non-Company equipment;
- 4. Interruptions of Service during any period in which the Company is not given full and free access to its facilities and equipment for the purpose of investigating and correcting interruptions;

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.7 Interruption of Service, (Cont'd.)

2.7.1 General, (Cont'd.)

B. (Cont'd.)

- 5. Interruptions of Service during a period in which the Customer continues to use the Service on an impaired basis;
- 6. Interruptions of Service during any period when the Customer has released Service to the Company for maintenance purposes or for implementation of a Customer order for a change in Service arrangements; and
- 7. Interruption of Service due to circumstances or causes beyond the control of the Company.
- C. For the purposes of applying this provision, the word "interruption" shall mean the inability to complete calls either incoming or outgoing or both due to equipment malfunction or human errors. "Interruption" does not include and no allowance shall be given for service difficulties such as slow dial tone, circuits busy or other network capacity shortages. Nor shall the interruption allowance apply where Service is interrupted by the negligence or willful act of the Customer or where the Company, pursuant to the terms of this Tariff, suspends or terminates Service because of nonpayment of bills due to the Company, unlawful or improper use of facilities or Service, or any other reason covered by this Tariff. No allowance shall be made for interruptions due to electric power failure.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment Arrangements

2.8.1 Payment

The Customer is responsible for the payment of all charges for facilities and Service furnished by the Company to the Customer and to all Users authorized by the Customer, and for all calls charged to the Customer's line where any person answering the Customer's line agrees to accept such charge.

2.8.2 Billing and Collection of Charges

- A. All Customer bills are due and payable on or before the due date provided on the bill. If any portion of the bill is received by the Company more than seven (7) days after the due date, or if any portion of the payment is received in funds which are not immediately available, then a late payment penalty may be assessed by the Company and the Company may proceed with collection activities.
- B. If objection is not received by the Company within three months after the bill is rendered, the items and charges appearing thereon shall be determined to be correct and binding upon the Customer, provided that the customer shall, within twelve months of the rendering by the Company of the disputed bill, be able to bring the matter to the Commission for resolution.
- C. When a check which has been presented to the Company by a Customer in payment for charges is returned by the bank, the Customer shall be responsible for the payment of a Returned Check Charge in an amount up to \$20.00.

2.8.3 Disputed Bills

If the Customer has a complaint, has a question about, or seeks to dispute charges on the bill, the Customer should contact the Company at the address, telephone number, or e-mail address provided on the bill.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment Arrangements, (Cont'd.)

2.8.4 Late Payment Charges

- A. Customer bills are due on the due date specified on the bill. A Customer is in default unless payment is made on or before the due date specified on the bill. If payment is not received by the Customer's next billing date, a late payment charge of 1.5% will be applied to all amounts previously billed under this Tariff, excluding one month's Service charge, but including arrears and unpaid late payment charges.
- **B.** Late payment charges do not apply to those portions (and only those portions) of unpaid balances that are associated with disputed amounts. Undisputed amounts on the same bill are subject to late payment charges if unpaid and carried forward to the next bill.
- C. Late payment charges do not apply to final accounts.

2.8.5 Suspension or Termination of Service for Nonpayment

- A. If payment is not received within thirty (30) days of the due date, a disconnect notice will be sent to the Customer. The Company will provide the Customer with written notice via first class U.S. Mail stating the reason for discontinuance and will allow the Customer not less than fifteen (15) days to remove the cause for discontinuance. Bills must be mailed to the Customer no later than six (6) business days after the date of the bill.
- **B.** After issuing the written notification in accordance with Section 2.8.5(A), at least one attempt shall be made during non-working hours to contact a residential Customer by telephone before the scheduled date of suspension/termination.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment Arrangements, (Cont'd.)

2.8.5 Suspension or Termination of Service for Nonpayment, (Cont'd.)

- C. The Customer will be allowed at least five (5) days written notice via first class U.S. Mail that disconnection will take place within five (5) days, excluding Sundays and holidays, and the Customer will be given an opportunity to make full payment of all undisputed charges, and in no event will service be discontinued on the day preceding any day on which the Company is not prepared to accept payment of the amount due and to reconnect service.
- D. Suspension/termination may occur only between 8:00 AM and 7:30 PM on Monday through Thursday, and between 8:00 AM and 3:00 PM on Friday, provided that such day or the following day is not a public holiday or a day on which the main office is closed. In addition, Service may not be disconnected during the periods of December 23 through December 26 and December 30 through January 2.
- E. If the Customer's account is disconnected due to non-payment, and no arrangements have been made for a deferred payment plan, Service may be reconnected only by paying all past due amounts, a reconnection fee, and the first month of Service in advance.
- F. Service may be suspended or terminated for nonpayment of the undisputed portion of a disputed bill if the Customer does not pay the undisputed portion after being asked to do so.
- G. Suspended or terminated Service shall be reconnected within twenty-four (24) hours following payment or within twenty-four (24) hours of the end of circumstances beyond the Company's control which delay the reconnection.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.8 Payment Arrangements, (Cont'd.)

2.8.6 Exceptions to Suspension and Termination for Nonpayment

Service shall not be suspended or terminated for:

- A. Nonpayment for Service for which a bill has not been rendered;
- **B.** Nonpayment for Service which has not been rendered;
- C. Nonpayment of any billed charge which is in dispute during the period before a determination of the dispute is made by the Company in accordance with the Company's complaint handling procedures.
- **D.** Nonpayment of backbilled amounts as outlined in Section 2.11 herein.

2.8.7 Deferred Payment Agreements

- A. Service will not be suspended or terminated unless the Customer has been advised that a deferred payment plan can be arranged. An existing residential Customer with three or more months Service and for whom Service has not been terminated for nonpayment is eligible for Deferred Payment Arrangements (DPA). Final notice of suspension/termination will advise the Customer of DPAs and will include, in bold print, a notice that assistance in reaching an agreement may be obtained from the Commission. The DPA notice will be mailed no less than six (6) days before termination of Service. Any DPA will be for a period agreed to by both the Company and the Customer.
- B. If the Company believes that the Customer has the resources to pay the bill, it shall notify both the Customer and the Commission in writing of the reasons for its belief. The Commission shall make the final determination as to whether a DPA should be provided. A Customer with medical emergencies or a Customer who is elderly, blind or disabled shall be exempt from such eligibility criteria.

Arizona Tariff No. 1 Original Page 31

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.9 Advance Payments

To safeguard its interests, the Company may require a Customer to make an advance payment before Service and facilities are furnished. The advance payment for residential customers will not exceed an amount equal to one-twelfth the annual estimated recurring charges for the Service or facility. The amount for business customers shall not exceed two and one-half month's estimated recurring charges for the Service or facility. In addition, where special construction is involved, the advance payment may also include an amount equal to the estimated nonrecurring charges for the special construction and recurring charges (if any) for a period to be set between the Company and the Customer. The advance payment for special construction will be credited to Customer's initial bill.

2.10 Taxes and Other Charges

The Customer may be responsible for payment of any Federal, state or local sales, use, gross receipts, access or other taxes, charges, surcharges (however designated), franchise and permit fees, and all taxes, fees, and other exactions imposed on the Company or its Service by governmental jurisdictions, other than taxes imposed generally on the Company's net income.

2.11 Backbilling

The Company shall not charge Customers for previously unbilled Service or adjust upward a bill previously rendered when the period for the unbilled Service or billing adjustment is more than twenty-four (24) months prior to the mailing of the bill or the upward adjustment unless the conduct of the Customer caused or contributed to the failure of the Company to render timely accurate billing. Unless the Customer causes the late billing, the Company shall explain the reason for the late billing and shall advise the Customer that suspension/termination of Service is not permitted for charges billed in excess of six (6) months after the Service was provided. The Customer will be given the opportunity to pay the charges under an installment plan on a schedule equal in time to the length of the backbilling period.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Termination for Cause Other Than Nonpayment

2.12.1 General

The Company after notice in writing to the Customer and after having given the Customer an appropriate opportunity to respond to such notice, may terminate Service and sever the connection(s) from the Customer's premises under the following conditions:

- A. In the event of prohibited, unlawful or improper use of the facilities or Service, or any other violation by the Customer of this Tariff or the rules and regulations governing the facilities and Service; or
- **B.** If, in the judgment of the Company, any use of the facilities or Service by the Customer may adversely affect the Company's personnel, plant, property or Service. The Company shall have the right to take immediate action, including termination of the Service and severing of the connection, without notice to the Customer when injury or damage to personnel, plant, property or Service is occurring, or is likely to occur; or
- C. In the event of unauthorized use, where the Customer fails to take reasonable steps to prevent the unauthorized use of the facilities or Service received from the Company; or
- D. In the event that Service is connected for a Customer who is indebted to the Company for Service or facilities previously furnished, that Service may be terminated by the Company unless the Customer satisfies the indebtedness within twenty (20) days after written notification. See Section 2.8.7 regarding Deferred Payment Agreements.

2.12.2 Prohibited, Unlawful or Improper Use of Facilities or Service

Prohibited, unlawful or improper us of the facilities or Service includes, but is not limited to:

A. The use of facilities or Service of the Company without payment of Tariff charges;

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Termination for Cause Other Than Nonpayment, (Cont'd.)

2.12.2 Prohibited, Unlawful or Improper Use of Facilities or Service

Prohibited, unlawful or improper us of the facilities or Service includes, but is not limited to:

- A. The use of facilities or Service of the Company without payment of Tariff charges;
- **B.** Calling or permitting others to call another person or persons so frequently or at such times of the day or in such manner as to harass, frighten, abuse or torment such other person or persons;
- **C.** The use of profane or obscene language;
- **D.** The use of the Service in a manner such that it interferes with the Service of other Customers or prevents them from making or receiving calls;
- E. The use of a mechanical dialing device or recorded announcement equipment to seize a Customer's line, thereby interfering with the Customer's use of the Service; or
- **F.** Permitting fraudulent use.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Termination for Cause Other Than Nonpayment, (Cont'd.)

2.12.3 Abandonment or Unauthorized Use of Facilities

- A. If it is determined that facilities have been abandoned, or are being used by unauthorized persons, or that the Customer has failed to take reasonable steps to prevent unauthorized use, the Company may terminate the Service.
- B. Suspension/termination of Service for abandonment or unauthorized use may only occur after the Company makes a reasonable attempt to determine occupancy or authorized use, or the Customer takes reasonable steps to prevent unauthorized use. A notice will be sent to the Customer five (5) days before such suspension or termination. The notification requirement is waived when previous mailings were returned by the Post Office or the Company is advised that a new Customer has moved into the location.
- C. In the event that Service is terminated for abandonment of facilities or unauthorized use and Service is subsequently restored to the same Customer at the same location:
 - 1. No charge shall apply for the period during which Service has been terminated; and
 - 2. Reconnection charges will apply when Service is restored. However, no charge shall be made for reconnection if the Service was terminated due to an error on the part of the Company.

Arizona Tariff No. 1 Original Page 35

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.12 Termination for Cause Other Than Nonpayment, (Cont'd.)

2.12.4 Change in the Company's Ability to Secure Access

Any change in the Company's ability (a) to secure and retain suitable facilities and rights for the construction and maintenance of the necessary facilities and equipment, or (b) to secure and retain suitable space for its plant and facilities in the building where Service is provided to the Customer may require termination of a Customer's Service until such time as new arrangements can be made. Under such circumstances, no charges will be assessed the Customer while Service is terminated, and no connection charges will apply when Service is restored.

2.12.5 Emergency Termination of Service

The Company will immediately terminate the Service of any Customer, on request, when the Customer has reasonable belief that the Service is being used by an unauthorized person or persons. The Company may require that the request be submitted in writing as a follow-up to a request made by telephone.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.13 Use of Customer's Service by Others

2.13.1 Customers and Authorized Users

Services provided hereunder are provided solely for the use of the Customer, except for occasional use of such Service by visitors and other invitees. Customers may not resell such Service to a third party for any form of compensation.

2.13.2 Transfers and Assignments

Neither the Company nor the Customer may assign or transfer its rights or duties in connection with the Service and facilities provided by the Company without the written consent of the other party, except that the Company may assign its rights and duties (a) to any subsidiary, parent company or affiliate of the Company, (b) pursuant to any sale or transfer of substantially all the assets of the Company; or (c) pursuant to any financing, merger or reorganization of the Company. Transfer of all or a portion of a Customer's account, the Service or the Company's equipment by the Customer to any other person or entity, or to a new residence or other location, is prohibited.

2.14 Cancellation of Service

If a Customer cancels a service order or terminates Service before the completion of the term for any reason whatsoever other than a Service interruption (as defined in Section 2.7), the Customer agrees to pay to the Company:

- A. All nonrecurring charges as specified in this Tariff; plus
- **B.** Any disconnection, early cancellation or termination charges reasonably incurred and paid to third parties by the Company on behalf of the Customer; plus
- C. All recurring charges specified in this Tariff for the balance of the then-current term.

2.15 Notices and Communications

All notices or other communications required to be given pursuant to this Tariff will be delivered via e-mail and/or first-class mail. The Company or the Customer shall advise the other party of any changes to the addresses designated for notices, other communications or billing, by following the procedures for giving notice set forth herein.

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.16 Special Construction and Special Arrangements

2.16.1 Special Construction and Non-Routine Maintenance

Subject to the agreement of the Company and to all of the regulations contained A. in this Tariff, special construction, special arrangements and non-routine maintenance may be undertaken on a reasonable-efforts basis at the request of the Customer. Such special construction, special arrangements and non-routine maintenance may be performed outside the Company's regular business hours or (in the Company's sole discretion and subject to any conditions it may impose) in hazardous locations. Special arrangements include any service or facility relating to a regulated telecommunications service not otherwise specified under this Tariff, or for the provision of Service on an expedited basis or in some other manner different from the normal tariff conditions. In such cases, charges based on the cost of labor, material and other costs incurred by or charged to the Company will apply. If installation is started during regular business hours but, at the Customers' request, extends beyond regular business hours into time periods including, but not limited to weekends, holidays and/or nights, additional charges may apply.

2.16.2 Basis for Charges

Where the Company furnishes a facility or Service for which a rate or charge is not specified in this Tariff, charges will be based on the costs incurred by the Company and may include:

- * Nonrecurring charges;
- * Recurring charges;
- * Termination liabilities; or Combinations thereof.

The agreement for special construction will ordinarily include a minimum Service commitment based upon the estimated service of the facilities provided.

2.16.3 Termination Liability

To the extent that there is no other requirement for use by the Company, a termination liability may apply for facilities specially constructed at the request of the Customer.

Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable

Arizona Tariff No. 1 Original Page 38

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.17 Individual Case Basis Arrangements

Rates for Individual Case Basis (ICB) arrangements will be developed on a case-by-case basis in response to a bona fide request from a Customer or prospective Customer for services which vary from tariffed arrangements. Rates quoted in response to such requests may be different than those specified for such service in this Tariff. ICB rates will be offered to Customers in writing and will be made available to similarly situated Customers.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.18 Dual Party Relay Service

2.18.1 General

The Company will provide access to a telephone relay center for Dual Party Relay Service. The Relay Service permits telephone communications between hearing and/or speech impaired individuals who must use a Telecommunications Device for the Deaf (TDD) or a Teletypewriter (TTY) and individuals with normal hearing and speech. The Relay Service can be reached by dialing an 800 number or 7-1-1. Specific 800 numbers have been designated for both impaired and non-impaired Customers to use.

2.18.2 Regulations

- A. Only intrastate calls can be completed using the Relay Service under the term and conditions of this Tariff.
- B. Charges for calls placed through the Relay Service will be billed as if direct distance dialed (DDD) from the point of origination to the point of termination. The actual routing of the call does not affect billing.
- C. Calls through the Relay Service may be billed to a third number only if that number is within Arizona. Calls may also be billed to calling cards issued by the Company or other carriers who may choose to participate in the Relay Service.
- **D.** The following calls may not be placed through the Relay Service:
 - 1. Calls to informational recordings and group bridging service;
 - 2. Calls to time or weather recorded messages;
 - 3. Station sent paid calls from coin telephones; and
 - 4. Operator-handled conference service and other teleconference calls.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 2 - RULES AND REGULATIONS, (CONT'D.)

2.18 Dual Party Relay Service, (Cont'd.)

2.18.3 Liability

The Company contracts with an outside provider for the provision of the Relay Service. The outside provider has complete control over the provision of the Relay Service except for the facilities provided directly by the Company. In addition to other provisions of this Tariff dealing with liability, in the absence of gross negligence or willful misconduct on the part of the Company, the Company shall not be liable for and the Customer, by using the Relay Service, agrees to release, defend and hold harmless for all damages, whether direct, incidental or consequential, whether suffered, made, instituted or asserted by the Customer or by any other person, for any loss or destruction of any property, whatsoever whether covered by the Customers or others, or for any personal injury to or death of, any person. Not withstanding any provision to the contrary, in no event shall the Company be liable for any special, incidental, consequential, exemplary or punitive damages of any nature whatsoever.

2.19 911 Emergency Telephone Service

2.19.1 General

- A. 911 is the three-digit telephone number designated throughout the United States as the emergency telephone number to be used by the public to obtain law enforcement, medical, fire, rescue, and other emergency services.
- B. The Service shall include a 911 Emergency System, including but not limited to Enhanced 911 services, pursuant to applicable federal, state, and local laws and regulations. This system will provide use of the exchange network at no charge to the caller on a per call basis. Any calls from a pay telephone shall not require a coin to be deposited or payment of any charge for 911 calls. Company shall also provide the ability to transfer calls from a Public Safety Answering Point (PSAP) to the proper Emergency Response Agency (ERA), as required.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 3 - SERVICE DESCRIPTIONS

3.1 Trial Services

The Company may offer new services, not otherwise tariffed, from time to time on a trial basis subject to Commission approval. Such trials are limited to a maximum of six months at which time the trial offering must be either withdrawn or made available on permanent basis.

3.2 Transmission Services

The Company provides local and intrastate telecommunications services, as described hereunder, on a wholesale basis and also to retail Business Customers.

3.2.1 High Capacity Transmission Service

High Capacity Transmission Service provides high-capacity point-to-point, point-to-multipoint and multipoint-to-multipoint dedicated connection between one or more customer locations and/or the Company. The service may utilize Ethernet interfaces, optical fiber and/or coaxial cable facilities, is scalable from 1 Mbps to 10 Gbps and will be designed and provisioned on an Individual Case Basis (ICB) pursuant to contracts with Customers. All requesting Customers shall have non-discriminatory access to ICB Services and facilities at nondiscriminatory rates.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 3 - SERVICE DESCRIPTIONS, (CONT'D.)

3.3 Switched Access Services

3.3.1 Billing of Access Minutes

When recording originating calls over Feature Group (FG) Access with multi-frequency address signaling, usage measurement begins when the first wink supervisory signal is forwarded from the Customer's facilities. The measurement of originating call usage over FG Access ends when the originating FG Access entry switch receives disconnect supervision from either the originating End User's Local Switching Center - (indicating that the originating End User has disconnected), or the Customer's facilities, whichever is recognized first by the entry switch.

For terminating calls over FG Access with multi-frequency address signaling, the measurement of access minutes begins when a seizure signal is received from the Carrier's trunk group at the Point of Presence within the Local Access Transport Area (LATA). The measurement of terminating call usage over FG Access ends when a disconnect signal is received, indicating that either the originating or terminating user has disconnected.

When recording originating calls over FG Access with Signaling System 7 (SS7) signaling, usage measurement begins with the transmission of the initial address message by the switch for direct trunk groups and with the receipt of an exit message by the switch for tandem trunk groups. The measurement of originating FG Access usage ends when the entry switch receives or sends a release message, whichever occurs first.

For terminating calls over FG Access with SS7 signaling, the measurement of access minutes begins when the terminating recording switch receives the initial address message from the terminating End User. On directly routed trunk groups or on tandem routed trunk groups, the Company switch receives the initial address message and sends the indication to the Customer in the form of an answer message. The measurement of terminating FG Access call usage ends when the entry switch receives or sends a release message, whichever occurs first.

Arizona Tariff No. 1 Original Page 43

Effective:

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 3 - SERVICE DESCRIPTIONS, (CONT'D.)

3.3 Switched Access Services, (Cont'd.)

3.3.2 Toll-Free 8XX Data Base Query

The Toll-Free 8XX Data Base Query Charge, will apply for each Toll-Free 8XX call query received at the Company's (or its provider=s) Toll-Free 8XX database.

3.3.4 Optional Features

Other optional features may be available on an Individual Case Basis (ICB).

Effective:

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 4 - RATES

4.1 Rates – Transmission Services

4.1.1 Service Connection and Related Charges

Nonrecurring charges may apply to Customer requests for connecting, moving, or changing Service. These charges will be determined on an Individual Case Basis (ICB) and will apply in addition to any other scheduled rates and charges that otherwise apply under this Tariff.

- A. Charges for the connection, move, or change of Service may apply for work being performed during the Company's normal business hours. If the Customer requests that overtime labor be performed at a premises on the day or days of the week other than normal work hours or on holidays, or interrupts work once it has begun, an additional charge may apply based on the additional costs involved.
- **B.** Changes in location of the Customer's Service from one premises to another may be treated as new Service connections with the appropriate Service Charges applying.

4.1.2 ICB Charges

ICB pricing will be developed and used for special circumstances and Services that are not listed in this Tariff or part of the Company's normal service offerings. ICB rates for similarly situated Customers shall be offered on a fair, equitable and nondiscriminatory basis.

Effective:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

SECTION 4 - RATES, (CONT'D.)

4.2 Rates – Switched Access Services

Carrier Common Line

Originating: Terminating: \$0.000000 \$0.000000

Local Transport, per DS1

Entrance Facility

ICB

Interoffice Channel

Direct Transport – termination (based on mileage) ICB
Direct Transport – per Mile (based on mileage) ICB

Tandem Switched - per minute

Tandem Switched - per minute

Access Tandem Switching-CMUX - per min.

Access Tandem Switching - CTP - per min.

Interconnection -per minute

\$0.00

\$0.00

Local Switching

Rate per access minute

\$0.016270

Nonrecurring Charges

Installation - Entrance Facilities

First DS1 Additional DS1, each ICB

ICB

800 Access - Per Query

\$0.003500

Mileage Bands	Direct Transport Fixed	Direct Transport per Mile	Tandem Switched per Minute	Tandem Switched per Minute per Mile
0	ICB	ICB	0.0000000	0.0000000
Over 0 to 8	ICB	ICB	0.0001990	0.0000200
Over 8 to 25	ICB	ICB	0.0002550	0.0000230
Over 25 to 50	ICB	ICB	0.0002360	0.0000230
Over 50	ICB	ICB	0.0002650	0.0000230

Time Warner Cable Information Services (Arizona), LLC d/b/a Time Warner Cable

Arizona Tariff No. 1 Original Page 46

Issued:

COMPETITIVE LOCAL EXCHANGE SERVICE TARIFF

Effective:

SECTION 5 - PROMOTIONS

5.1 Promotional Offerings

The Company may from time to time elect to offer temporary promotional programs that shall waive, for a specified period of time not to exceed six (6) months, in whole or in part (1) any installation fee and/or (2) any recurring or nonrecurring fees for any Services other than intrastate toll service to introduce present or potential Customers to a service not previously received by the Customer.

Exhibit B

Product/Service Tariff Rate Comparison Chart

Residential Rate Comparison of Telecommunications Services	Applicant's Arizona Tariff Attach Tariff Sheets for Support			Level 3's Arizona Tariff Attach Tariff Sheets for Support		
Provided by Competitors in Arizona	Charges & Rates (\$)	Section Number	Page Number	Charges & Rates (\$)	Section Number	Page Number
roduct/Services			•			
Basic Local Service	No product			No product		
Dispatch Call & Trouble isolated on cust. Equip.	Case by case basis			\$65.00 per visit in addition to materials and/or labor charges	10.3	48-49 (Tariff No. 4)
Tandem Switch per minute (0 to 8)	0.000199	6	45			
Tandem Switch per minute (over 8 to 25)	0.0002550	6	45	\$0.00675	15.1.3.4.3	58 (Tariff No. 3)
Tandem Switch per minute (over 25 to 50)	0.0002360	6	45	\$0.00675	15.1.3.4.3	58 (Tariff No. 3)
Tandem Switch per minute (over 50)	0.0002650	6	45	\$0.00675	15.1.3.4.3	58 (Tariff No. 3)
Restoration of Service	Case by case basis			\$1.00; \$1.15 maximum charge	10.2.2; 13.6	48; 67 (Tariff No.
Local Switching (Rate per access minute)	\$0.016270	6	45	\$0.0173	15.1.3.4.1	57 (Tariff No. 3)
800 Access Per Query	\$0.0035000	6	45			110.0)
Directory Assistance				\$0.52 per number requested; \$60.00 maximum charge per number requested	9.7.2; 13.3	46; 66 (Tariff No. 4)
Directory Assistance via Operator				\$2.50 - \$3.75; \$2.88-\$4.31 maximum charge per call	9.6.2; 13.3	45; 66 (Tariff No. 4)
iscellaneous Services & Rates-		·				.t
Returned Check Charge (NSF)	\$25.00			\$25.00	4.2.8	26 (Tariff No. 4)
istings-						
Directory Listing Service						
Primary Listing				\$0.00	9.8	47 (Tariff No. 4)
Non-Published						
Toll Free Directory Listings						
raight Line Under Directory Listing (indent listing)						
RI Service with Unlimited Local Calling-						<u>r</u>
12 Months						
24 Months						
36 Months						
Non-Recurring on a PRI Install					 	
Order Cancellation Charge				Varies	4.6 and 5.3.2	30 and 32- 33
Order Sup Charge						1

Residential Rate Comparison of Telecommunications Services	Qwest's Arizona Tariff Attach Tariff Sheets for Support			Sprint's Arizona Tariff Attach Tariff Sheets for Support		
Provided by Competitors in Arizona	Charges & Rates (\$)	Section Number	Page Number	Charges & Rates (\$)	Section Number	Page Number
'roduct/Services						
Basic Local Service	\$13.81			\$34.99; maximum rate \$140.00	4.1	54
Dispatch Call & Trouble isolated on cust. Equip.						
Tandem Switch per minute (0 to 8)	0.000199	6	121 Release 2)			
Tandem Switch per minute (over 8 to 25)	0.000255	6	"			
Tandem Switch per minute (over 25 to 50)	0.000263	6	"	·		
Tandem Switch per minute (over 50)	0.000265	6	"			
Restoration of Service				\$29.99; maximum rate \$120.00	6.2.6	69
Local Switching (Rate per access minute)	0.016270	6	44	\$120.00	<u> </u>	
800 Access – Per Query	0.003500	6	"			
					-10	
Directory Assistance	\$3.95	6.3(C)	§ 6, p. 12	\$0.50	6.4.1	71 and A-19 of Tariff C.C. No. 2
Directory Assistance via Operator	\$3.95 + appropriate additional charges	6.3(B)- (C) and 6.2.7	§ 6, p.12 and § 6, p. 9	\$0.50	6.4.1	71 and A-19 of Tariff C.C. No. 2
Iiscellaneous Services & Rates-						
Returned Check Charge (NSF)	\$10.00	2.2.7(H)	§ 2, p. 15	\$25.00; maximum rate of \$100.00	2.7.4	39
istings-						
Directory Listing Service						
Primary Listing	\$0.00	5.1.1(C)	§ 5, p. 147 (ENSPC Tariff)	\$0.00; maximum \$8.00	6.5.8	73
Non-Published	\$0.90	5.7.1(F)	§ 5, p. 159 (ENSPC Tariff)	\$2.00; maximum rate \$10.00	6.2.8	73
Toll Free Directory Listings				\$30.00; maximum \$120.00	6.5.8	73
traight Line Under Directory Listing (indent listing)				\$10.00; maximum \$40.00	6.5.8	73
RI Service with Unlimited Local Calling-						-
12 Months						
24 Months						
36 Months						
36 Months Non-Recurring on a PRI Install Order Cancellation Charge				Varies	2.8.4	45